

## Message Text

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ORIGIN ARA-10

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GOV PANCANAL

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E.O. 11652: N/A

TAGS: PFOR, PN

SUBJECT: STATEMENT BY PRESIDENT FORD ON THE CANAL  
NEGOTIATIONS

FOLLOWING IS TEXT OF TWO QUESTIONS AND RESPONSES THERETO  
BY PRESIDENT FORD DURING INTERVIEW THIS MORNING WITH  
EDITORS OF HARTE-HANKS NEWSPAPERS.

QUESTION: MR. PRESIDENT, GOVERNOR REAGAN IN TEXAS IS  
SAYING, AND I QUOTE: "WE SHOULD TELL PANAMA'S TINHORN  
DICTATOR JUST WHAT HE CAN DO WITH HIS DEMANDS FOR  
SOVEREIGNTY OVER THE CANAL ZONE AND ITSELF. WE BOUGHT  
IT, WE PAID FOR IT, AND THEY CAN'T HAVE IT." WHAT IS  
YOUR RESPONSE TO THIS STATEMENT BY GOVERNOR REAGAN?

THE PRESIDENT: I GATHER FROM THAT STATEMENT THAT GOVERNOR  
REAGAN WOULD IMMEDIATELY TERMINATE THE NEGOTIATIONS THAT  
HAVE BEEN GOING ON AND WOULD END THE NEGOTIATIONS WHICH  
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WERE STARTED BY PRESIDENT JOHNSON IN 1964-65, HAVE BEEN

CARRIED ON BY PRESIDENT JOHNSON, PRESIDENT NIXON AND MYSELF. I THINK THAT WOULD BE A POSITION OF IRRESPONSIBILITY.

TO BREAK OFF, TO TERMINATE THOSE NEGOTIATIONS WOULD, IN MY OPINION, VERY LIKELY REVIVE THE KIND OF AN INCIDENT THAT TOOK PLACE IN 1964 WHEN 24 PEOPLE WERE KILLED, 20 PANAMANIAN AND FOUR AMERICANS, IN A VERY BLOODY CONFLICT I SAW ON ONE OF THE NETWORKS, I THINK CBS, OVER THE WEEKEND A REPLAY OF SOME OF THE PICTURES THAT WERE TAKEN DOWN THERE AND THAT WAS CERTAINLY NOT A HAPPY INCIDENT IN PANAMANIAN-U.S. RELATIONS.

THE POSITION THAT PRESIDENT JOHNSON TOOK, THAT PRESIDENT NIXON TOOK AND I AM TAKING IS THE RESPONSIBLE POSITION, THAT WE SHOULD CONTINUE TO NEGOTIATE, THOSE NEGOTIATIONS HAVE NOT BEEN CONCLUDED, THEY ARE GOING ON.

BUT IF YOU GO BACK AND LOOK AT THE HISTORY OF THE 1903 TREATY, IT HAS BEEN REVISED AT LEAST FOUR TIMES AND MAYBE FIVE TIMES. IT HAS BEEN REVISED DURING MY PERIOD IN WASHINGTON IN THE MID-1950'S AND IT HAS BEEN REVISED ONCE OR MORE SINCE THEN. THE ORIGINAL ANNUAL RENTAL, IF THAT IS THE RIGHT TERM, WAS \$250,000 A YEAR. IT HAS BEEN INCREASED ON SEVERAL OCCASIONS SINCE THEN SO THAT THE UNITED STATES IS NOW PAYING \$2 MILLION 500 THOUSAND A YEAR SO THAT ORIGINAL TREATY IS QUITE DIFFERENT FROM THE TREATY THAT WAS INITIALLY SIGNED.

NOW TO TERMINATE THOSE NEGOTIATIONS NOW WOULD BE ABSOLUTELY IRRESPONSIBLE AND WOULD VERY LIKELY HAVE THE IMPACT OF ONE OR MORE ADDITIONAL INCIDENTS SUCH AS THOSE THAT OCCURRED IN 1964 AND PROBABLY MORE BLOODY AND WOULD, IN ADDITION, CREATE THE DISTINCT POSSIBILITY THAT THE CURRENT UTILIZATION OF THAT CANAL WOULD BE ADVERSELY AFFECTED AND, THIRDLY, WOULD PUT AGAINST THE UNITED STATES EVERY LATIN AMERICAN COUNTRY, SOME 25, AS I RECALL, AND 309 MILLION LATIN AMERICANS. THAT IS THE TOTAL POPULATION.

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NOW I THINK IT IS RESPONSIBLE TO CONTINUE THOSE NEGOTIATIONS AND I THINK ANY STATEMENTS THAT WOULD, IN EFFECT, SAY WE ARE GOING TO TERMINATE THEM IS AN IRRESPONSIBLE STATEMENT.

NOW WHAT ARE WE TRYING TO DO? THAT IS THE IMPORTANT THING. LET'S TALK AFFIRMATIVELY. WE ARE INTERESTED IN THE CONTROL OR OPERATION AND MAINTENANCE OF THAT CANAL.

WE ARE INTERESTED AND ARE GOING TO INSIST UPON THE RIGHT

TO DEFEND THAT CANAL. WE ARE NEGOTIATING AS TO THE LENGTH OF THE TERM OF THAT TREATY AND WE ARE GOING TO INSIST ON THE RIGHT TO OPERATE, TO MAINTAIN AND TO DEFEND THAT CANAL DURING THE TERM OF THAT TREATY DURING THE ECONOMIC USABILITY OF THAT CANAL. WE ARE GOING TO KEEP ON THE PATH THAT I THINK IS RESPONSIBLE.

THERE HAVE BEEN NO DECISIONS MADE BUT THE OTHER COURSE OF ACTION, TO TAKE OUR NEGOTIATORS AWAY AND JUST SAY WE ARE GOING TO NOT NEGOTIATE, IN MY OPINION, WOULD JEOPARDIZE THE UTILIZATION OF THE CANAL, WOULD UNDOUBTEDLY LEAD TO ANOTHER ONE OR MORE INCIDENTS VERY MUCH MORE BLOODY THAN THE ONE THAT HAPPENED IN 1964 AND WOULD TURN MOST OF LATIN AMERICA, IF NOT ALL OF LATIN AMERICA, AGAINST THE UNITED STATES.

NOW THOSE ARE THE CONSEQUENCES OF TERMINATING THE NEGOTIATIONS AND I AM AGAINST THAT. I THINK WE OUGHT TO NEGOTIATE.

QUESTION: MR. PRESIDENT, IT WAS INDICATED THAT AMBASSADOR BUNKER SAID THAT YOUR FEELING WAS THAT A NEW TREATY WILL RESULT EVENTUALLY IN RELINQUISHING UNITED STATES CONTROL OF THE CANAL. WAS THAT AN ACCURATE STATEMENT?

THE PRESIDENT: WELL, YOU GET INTO SOME OF THE VERY SOPHISTICATED AREAS HERE. WE ARE TALKING ABOUT A TREATY WITH AN EXTENDED DURATION, A TREATY THAT WOULD LAST WELL INTO THE NEXT CENTURY. WE ARE GOING TO INSIST, DURING THE PERIOD OF THAT TREATY, THAT WE HAVE THE RIGHT TO

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OPERATE, TO MAINTAIN AND DEFEND IT. THAT RIGHT UNDER THAT TREATY WOULD RELATE TO WHAT WE FEEL IS THE ECONOMIC UTILIZATION OF THE CANAL.

IN THE NEXT 30 TO 50 YEARS THERE COULD BE A GREAT MANY DIFFERENT MODES OF TRANSPORTATION AND, IN ADDITION, AFTER THE TERMINATION OF THE TREATY THERE WOULD HAVE TO BE AN ABSOLUTE INSISTENCE THAT THERE WOULD BE RIGHT OF FREE ACCESS BY ALL PARTIES TO THE UTILIZATION OF THE CANAL. ROBINSON

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